

Keep the Airport Curfew

Posted by Pierluigi Oliverio on Monday, March 08, 2010

This afternoon at 1:30 the Council will gather for a special meeting to discuss the City's airport. The expansion was voted favorably by the council in 1997 with then-Councilmember David Pandori casting the only vote against. The airport, with the hands artwork that is visible driving on Highway 87, was approved in 2005. Through the selling of bonds (borrowing) the city of San Jose has spent \$1.3 billion on the renovation.

Since 2007, the airport has experienced a 25 percent decline in the number of passengers and 33 percent reduction in number of flights. The airport competes with San Francisco and Oakland airports and is one of the few city assets that competes with other cities. Airports and airlines have been impacted negatively from terrorist threats, web meeting solutions. spiking fuel costs that pushed companies to adopt new web meeting technologies faster and of course the Great Recession.

Take all of these factors listed above into consideration and then add on government "feel good" measures like the new city of San Jose living wage policy that was passed by the council last year (I was the only no vote) that requires private companies at the airport to pay private sector workers above-market wages. It may "feel good" for politicos but it raises costs to the airlines and to the taxpayer as the city now has a city employee who makes \$156,000 to oversee the living wage policy just at the airport.

In fact, we have a total of 11 full time people (\$1,414,941) at City Hall who oversee that private sector workers are paid a certain wage. Personally, I would rather have 11 code inspectors or 11 planning dept staff. Another "feel good" measure is that the airport must spend \$3 million extra every year on janitorial services because of another council policy that does not allow outsourcing, which again raises the costs to the airlines. (Well, technically we "allow" outsourcing but it takes nearly two years and multiple highly charged City Council votes that require at least six votes...so essentially NO). As Marvin Gaye said, "Mercy Mercy Me."

If you put yourself in the airlines' shoes and you know that the Bay Area has three airports and that residents will drive the short distance to fly, then you might be more likely to choose the airport where you can maintain a higher margin of profit that has the lowest cost. If you choose to not maximize your profit then consumers, mutual funds and even retirements funds may sell your airline stock and eventually you may get fired.

Some suggest that eliminating the curfew would solve the airport's financial dilemmas. It is a big unknown that if eliminating the curfew would be the salvation of our airport. Will flights at 3am generate more revenue then the \$12 million of savings that outsourcing would deliver at the airport as outlined by the airport director? I don't think so.

What I do know is that approximately 100,000 people hear the airport flights today and they would prefer not to be awakened in the middle of the night. Now there are some areas of San Jose that do not hear the airplanes during the day, but I think that residents of Almaden Valley and Evergreen might start to hear the planes if they are arriving and departing at 1am, 2am, 3am, etc. The economic value of getting rid of the curfew is unknown however we do know the Council has the power to allow the airport to start saving money today without upsetting many residents.

My viewpoint is we need to have a successful airport and by that I mean a successful daytime airport that operates up to what the Environmental Impact Report (EIR) allows. The airport should be allowed to run itself like a private business, competing with San Francisco and Oakland without all of the city policies, while maintaining its successful curfew as other cities do so in the USA.

On another note: Tonight the General Plan 2040 Task Force will choose a scenario to recommend to the Council for San Jose's growth by the year 2040.

Here is a link to a General Plan 2040 Task Force web survey prepared to solicit feedback.

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